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- Acronyms (DEQ, DNRC, BOG)
- Introduction
- Typical Water Well Construction
- Well Problems
- Well Log
- Water Right
- Monitoring

A Guide to Split Estates in Oil and Gas Development

What is a split estate?

A split estate occurs when the right to develop oil or gas deposits is severed from the surface. Therefore, one party may own the right to farm the land, build a house, or graze cattle, but another party owns the right to drill for the underlying oil or gas.

How does an estate become split?

Governments around the world have long recognized the importance of reserving mineral rights when giving away or selling land—maintaining the option of developing minerals could mean cash in the future. As land was settled in Montana and the rest of the West under numerous homestead acts, the federal government reserved the rights to develop coal and other minerals.

Who owns what?

In Montana, the federal Bureau of Land Management (BLM) and the state of Montana are large land and mineral owners, but many minerals are owned privately. Among federal, state, and private ownership of either the surface or mineral estate, there could be any combination of ownership. Private owners may self the surface to one party and the minerals to another, or the owner of an estate may self the surface but retain the minerals. In the case of minerals, it is worth noting that under any piece of land, different parties may own rights to different minerals. For example, one party may own the right to develop the coal, while another may hold the rights to the oil and gas.

Where are the mineral ownership records?

The deed to the property is a good place to start. For surface owners, if the deed says ownership of the property is fee simple or fee simple absolute, that means the surface and mineral rights are intact unless otherwise indicated in the chain of title. If a personal copy of the deed inn't available, the information is most likely on file with the Clerk and Recorder for the county in which the land is located. A legal description of the

- Elevated nitrate
- Elevated uranium
- Prescription drugs, bug repellant
- Mineralized
- Low yield
- Adjacent closed landfill w/solvent plume

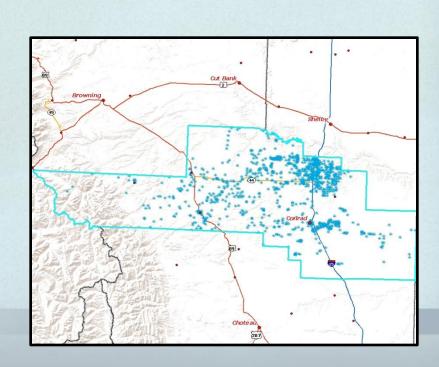
But we use it 'cause it is what we have.



Pondera County Water Well Data

- 350 domestic wells
- 24 Public water supply wells
- 25 irrigation wells
- 170 stock wells

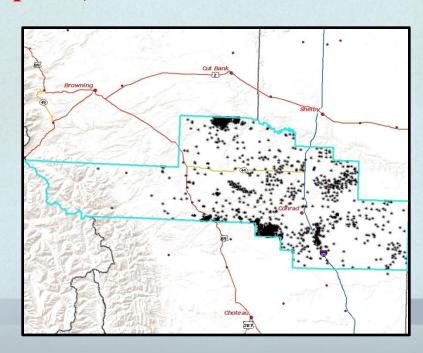
Average 97 feet total depth



Pondera County Oil/Gas Well Data

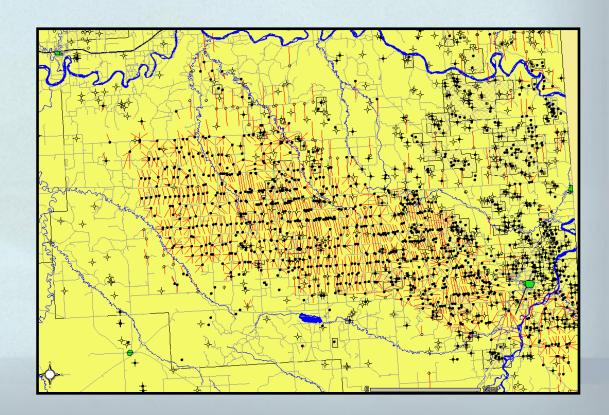
- 1483 wells recorded (oldest recorded is 1923)
 - 30% dry holes
 - 8% injection wells (disposal)
 - 60% are oil/gas wells

average 2,250 feet total depth



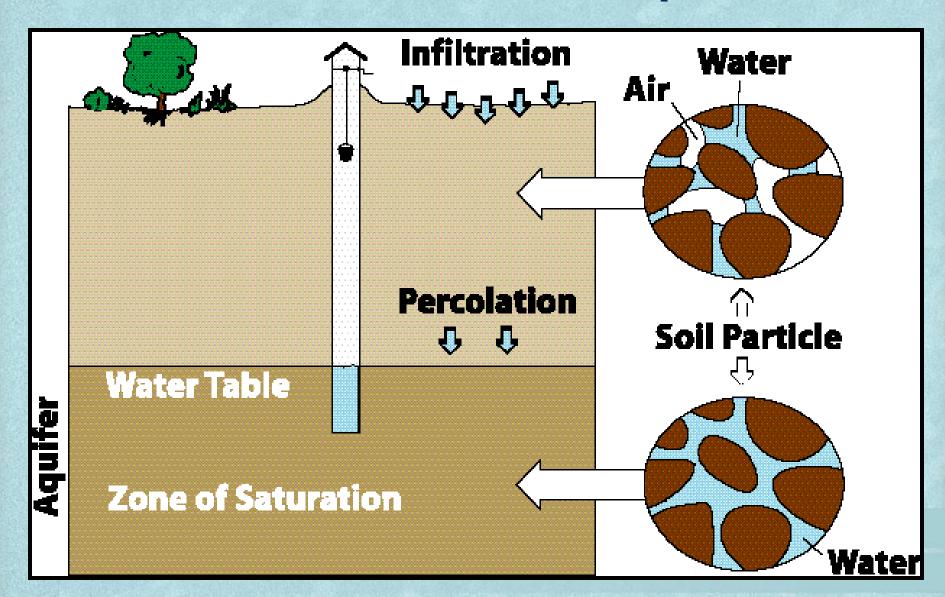
Richland County Oil/Gas Well Data

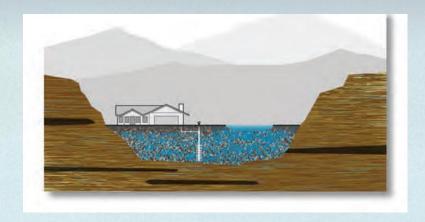
- •1,900 wells recorded
- Note horizontal well paths



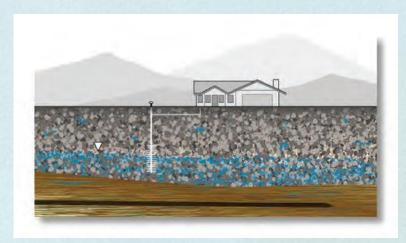


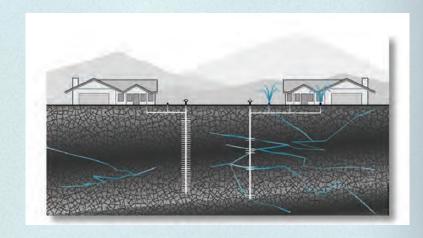
What is a Water Well? Aquifer?

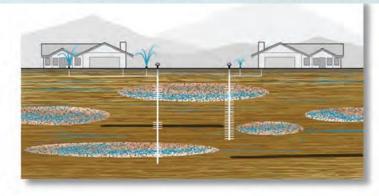




Typical East Slope Aquifer Settings



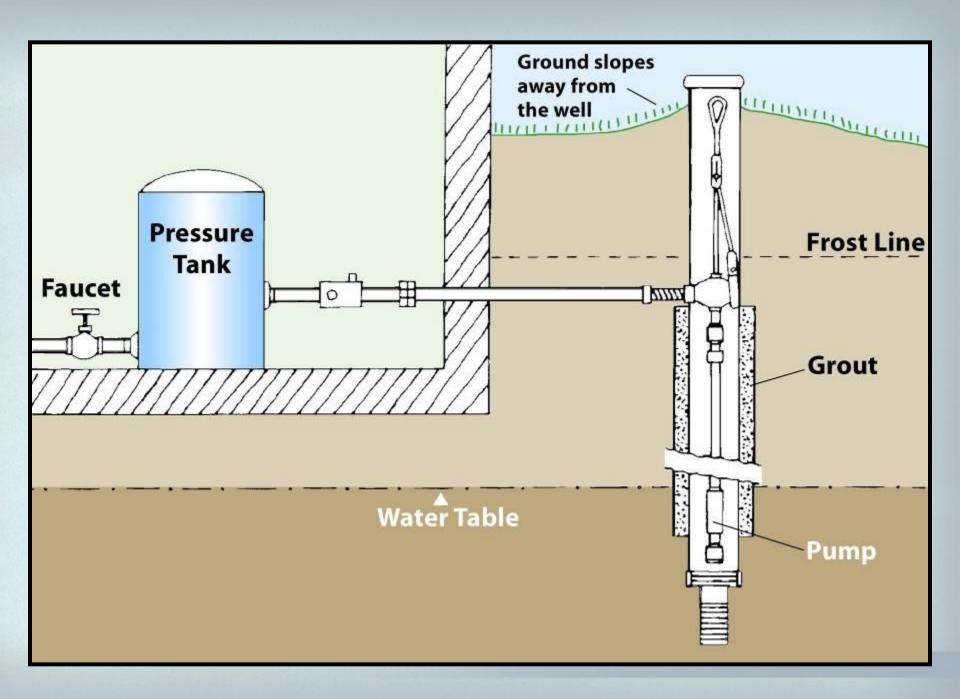






Drinking Water Well Construction







Common types of well screens/perforations







Sanitary seal well cap

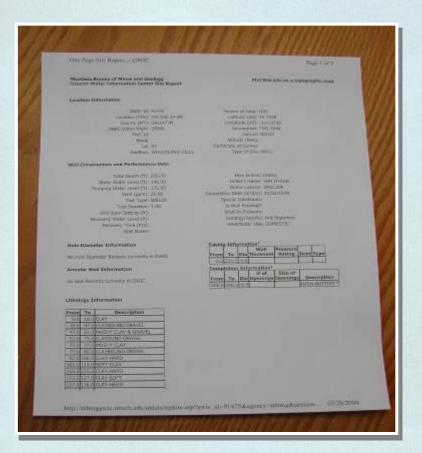






Well Cap

The Well Log



- Location
- Construction detail
- Tested flow rate
- Static water level
- Geology encountered

Log is filed with GWIC (Ground Water Information Center-MBMG)

Finding a Well Log

- •Go on-line to http://mbmggwic.mtech.edu/
- Contact local DNRC office
- Contact Joe Meek at DEQ at (406) 444-4806

Note: identifying your well log can be a challenge; have as much info. available as possible such as:

- -original owner name & well location
- -approximate date completed
- -approximate depth



Water Rights



Water Rights

A well log is not a water right. Do you have "standing"?

- •For 35 gpm or less.... *Notice of Appropriation* is filed (after well is put to use).
 - -Secures your legal right to the water

•For more than 35 gpmapply for a water right (before well is constructed).



Well Problems









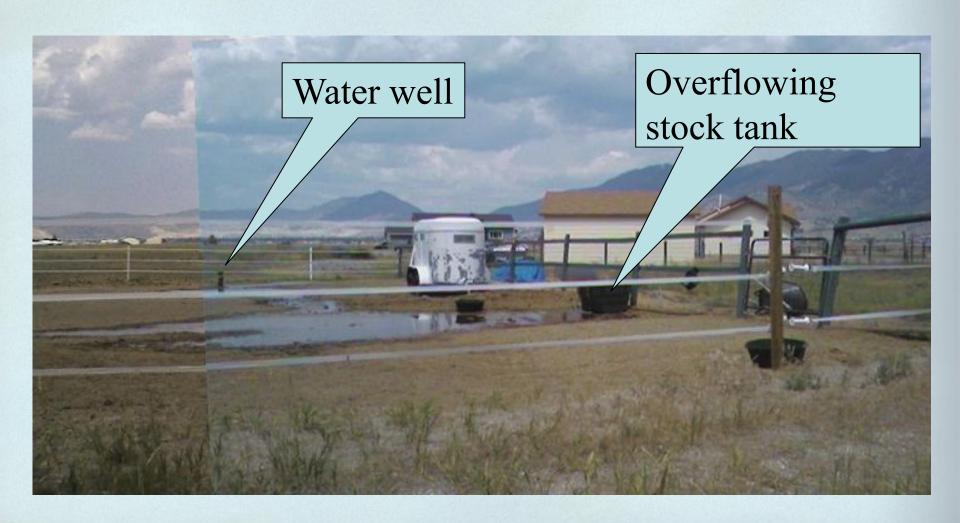




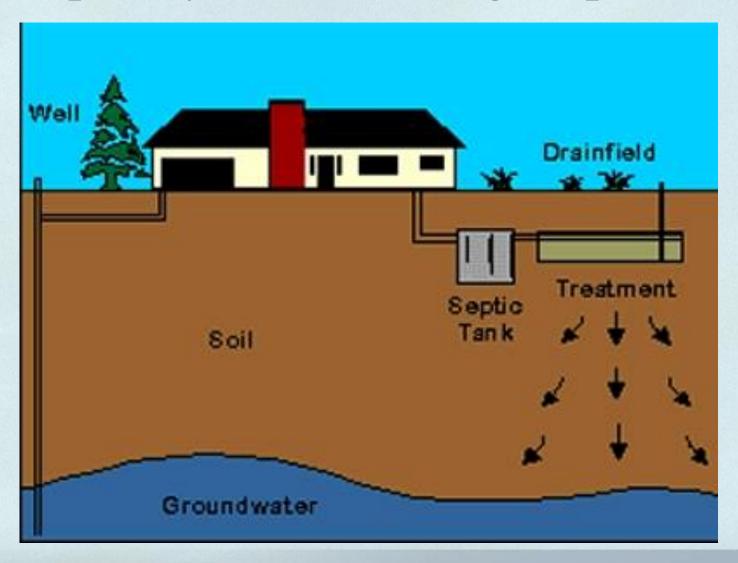




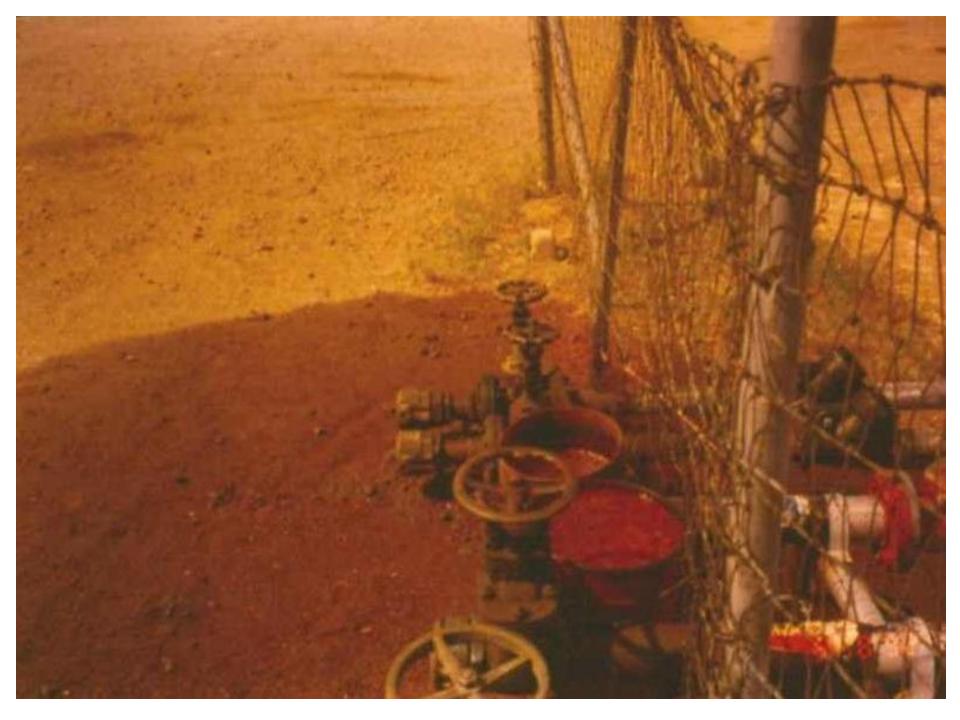




Septic Systems Recharge Aquifers









Domestic Well Considerations

- •Hazards come from all land uses
- •Pay attention to apparent leaks, spills, or dumping
- Contact regulatory authority if needed
- •The greatest hazards to water quality are usually those closest to the wellhead
- •If concerned, consider monitoring before drilling, after, and annually
- •For defensible data, have samples collected by a professional. Protocols are critical.
- •See handout for suggested analyte list
- •If possible, negotiate monitoring into surface agreement



Analyte List

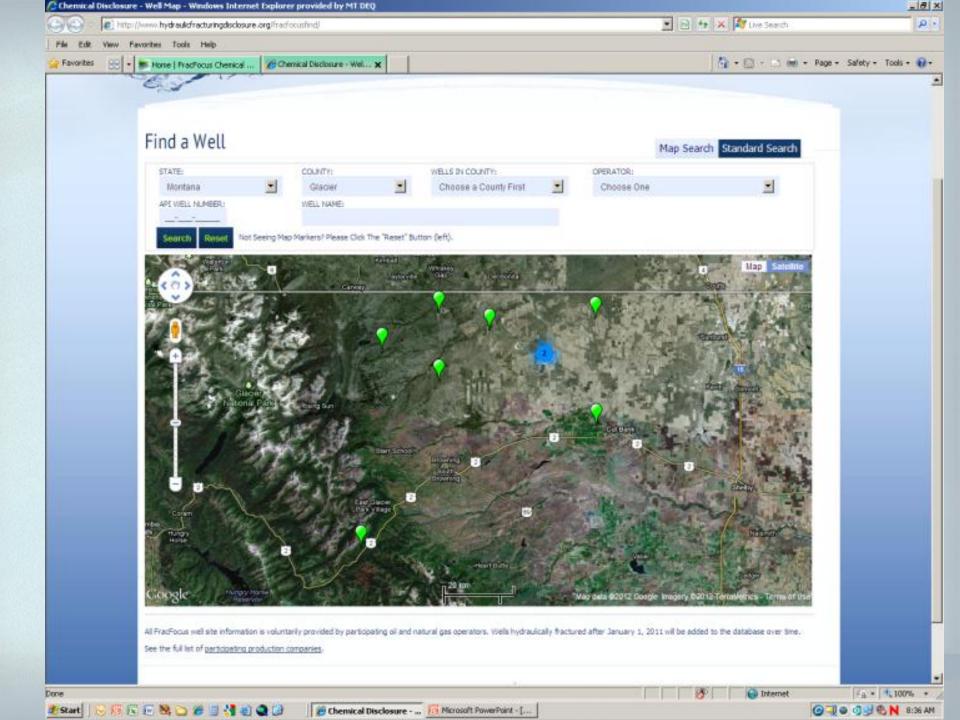
- •pH: Acid/base measurement. Relatively constant
- •<u>Specific Conductance</u>: how easily water conducts an electrical current.
- •<u>BTEX</u>: benzene, toluene, ethylbenzene, and xylene are found in petroleum products
- •Major Ions: dissolved elements, relatively constant.
- •Metals: found naturally, relatively constant.
- Total dissolved solids: similar to conductance

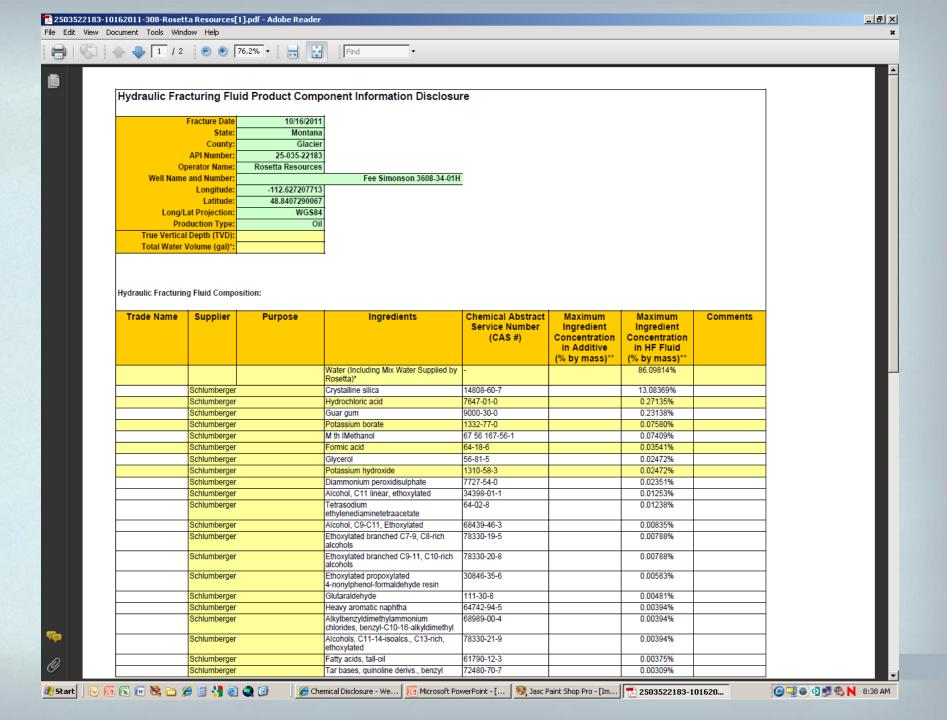
Analyte List

- •Oil and Grease: May use as a trigger for follow up DRO/GRO analysis.
- •<u>Dissolved Methane</u>: may be in shallow or deep formations, may be "naturally" present in shallow water
- •<u>Diesel Range Organics (DRO) and Gas Range Organics (GRO)</u>:



Surface Use Agreements





Web links & Contacts

http://bogc.dnrc.mt.gov/staff.asp

MT BOG staff contacts

http://www.mtrules.org/gateway/ChapterHome.asp?Chapter=36%2E22

MT BOG Rules

http://fracfocus.org/

Frac Focus

http://GWPC.org

Ground Water Protection Council

http://NGWA.org

National Ground Water Association

http://bogc.dnrc.mt.gov/web_mapper.asp

MT BOG On-line Mapper

Oil/Gas site development or drilling issues- call Gary Klotz, Field Supervisor, Board of Oil/Gas (406) 434-2422

Water/Air/Solid Waste issues- call local health department or Chad Anderson, Enforcement, Dept of Environmental Quality (406)444-2964

END

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